



Ohio Administrative Code

Rule 123:1-34-11 Mandatory cost savings program.

Effective: December 10, 2023

(A) Pursuant to division (C) of section 124.392 of the Revised Code, the mandatory cost savings program has been created as a tool to reduce costs. The program is a non-permanent reduction in wages for employees who are exempt from collective bargaining and paid by warrant of the director of budget and management. The program consists of either time off or loss of holiday pay as described in this rule.

(B) Except as provided in paragraph (H) of this rule, full-time permanent employees shall use ten cost savings days (CSDs) in the fiscal year beginning July 1, 2020 for a total of eighty hours. Full-time permanent employees who are hired after the effective date of this rule, but prior to the end of fiscal year 2021, shall use a prorated amount of CSDs equal to 3.076 hours for each pay period remaining in the fiscal year.

(C) The employee's gross pay will be reduced by an amount equal to 3.076 hours of the employee's total rate of pay each pay period. This provision shall also apply to full-time employees who are receiving a paid leave benefit, including but not limited to, occupational injury leave, salary continuation, or disability benefits.

If the secretary of state, auditor of state, treasurer of state, or attorney general has confirmed in writing participation in the CSDs program, the gross pay of the impacted employees will be reduced by an amount equal to 3.076 hours of the employee's total rate of pay each pay period.

If the secretary of state, auditor of state, treasurer of state, or attorney general has modified the cost savings day amount for their respective employees pursuant to statutory authority, the gross pay of the impacted employees will be reduced by an amount calculated by the department of administrative services based on the number of pay periods left in the fiscal year. The calculated amount will instead apply to employees of the impacted office wherever 3.076 appears in this rule .

(D) Scheduling CSDs. Leave for CSDs shall be scheduled as determined appropriate with respect to



the employee's regular work schedule. No employee shall be permitted to use CSDs before July 1, 2020 or after June 5, 2021.

(1) In consultation with the department of administrative services, appointing authorities may indicate dates that employees may not schedule CSDs ("black out" days). Black out days may be work unit specific. Black out days will be established by August 1, 2020.

(2) Appointing authorities may not require their employees to utilize their CSDs on a specific work day without prior review and approval by the department of administrative services.

(3) Employees will schedule leave for CSDs in a manner determined by their appointing authority. Appointing authorities may set agency-specific criteria to determine whether or not to grant leave for CSDs for the dates the employee requests. If an appointing authority declines to grant a requested CSD, the employee shall request a different date. Appointing authorities must allow employees to schedule and take all of their CSDs before June 5, 2021.

(4) Employees who have planned retirement dates must schedule a prorated amount of CSDs equal to 3.076 hours each pay period they are scheduled to work in state service prior to retirement.

(5) Employees may use available CSDs to cover any waiting period that is required as part of a state-paid leave or benefits program for employees, such as adoption/childbirth leave or disability leave. For purposes of this rule, a CSD is only "available" for use during a waiting period if the employee's gross pay has been reduced by an amount sufficient to cover the use of the CSD.

(E) The impact of CSDs on overtime and compensatory time.

(1) CSDs shall not be included in the definition of active pay status for the purpose of earning overtime or compensatory time for employees who are eligible to earn overtime.

(2) CSDs shall be included in the definition of active pay status for the purpose of earning compensatory time for employees that are not eligible to earn overtime.

(F) Equalization.



(1) Except as provided in paragraph (F)(2) of this rule, employees who are prevented by their appointing authority from taking CSDs shall have the appropriate corrections made to their paycheck.

(2) Employees shall not be entitled to receive compensation for unused CSDs if they are exempt from overtime compensation and are:

(a) In pay range fourteen or above on the E-1 scale;

(b) Annually paid \$66,061 or above on the E-2 scale;

(c) Annually paid \$66,061 or above through their appointing authority's ability to set compensation;
or

(d) Working in the governor's office.

(3) Employees who leave state service prior to the equalization of CSDs used and deductions made, or prior to the equalization of holiday pay lost and deductions made, shall have appropriate corrections made to the employee's final paycheck or deducted from the employee's leave balances.

(G) Unpaid leave of absence. Employees who have prescheduled unpaid leave of absences shall use available CSDs prior to going out on the unpaid leave of absence. Employees who are not receiving compensation as a result of an unpaid leave of absence shall not be required to have their gross pay reduced during the pay periods they are out on unpaid leave. Upon their return to work, employees shall use a prorated amount of CSDs equal to 3.076 hours for each pay period remaining in the fiscal year.

(H) Individuals in the director classification series will not be permitted out of the workplace for CSDs. The appointing authority may designate other individuals who are not permitted out of the workplace for CSDs only with the prior approval of the director of the department of administrative services.



(I) Instead of CSDs, the employees listed in paragraph (H) of this rule, other than the individuals in the director classification series, will not receive holiday pay for any holiday during the fiscal year beginning on July 1, 2020 for a total of eighty hours. The employee's gross pay will be reduced by an amount equivalent to 3.076 hours of the employee's total rate of pay each pay period. This provision shall apply to full-time employees listed in paragraph (H) of this rule who are receiving a paid leave benefit, including but not limited to, occupational injury leave, salary continuation, or disability benefits. Individuals in the director classification series will receive a four per cent pay decrease in lieu of CSDs.

(J) Part-time permanent employees will not receive holiday pay for any holiday during the fiscal year beginning on July 1, 2020 for a total of ten days. Part-time permanent employees will lose their entire amount of holiday pay each pay period that contains a holiday. Part-time permanent employees will be given credit equivalent to four hours only for the purpose of computing leave accrual and calculating the benefits tier.

(K) Leave accruals and health insurance shall not be impacted for full-time employees under the mandatory cost savings program.

(L) The mandatory cost savings program will not impact service credit or the calculation of retention points.